

SENATE BILL No. 234

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-6.1-2-2.

Synopsis: TRF fund membership and contributions. Provides that a member of the state teachers' retirement fund (TRF) who, before July 1, 1995, participated in the pre-1996 account and who, after June 30, 2001, was hired by another school corporation or institution covered by TRF or rehired by a prior employer becomes a member of the 1996 account, but: (1) the member's contributions to the pre-1996 annuity savings account; (2) employer contributions, if any, to the pre-1996 retirement allowance account; and (3) liability for employer contributions based on service credit earned; before the member was hired by another school corporation or institution covered by TRF (or rehired by a prior employer) remain in the pre-1996 account.

Effective: July 1, 2002.

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January 7, 2002, read first time and referred to Committee on Pensions and Labor.

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Introduced

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 234

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 21-6.1-2-2, AS AMENDED BY P.L.291-2001,
2 SECTION 126, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) The board shall segregate the
4 fund into the following accounts:
5 (1) The pre-1996 account.
6 (2) The 1996 account.
7 (b) The board shall segregate each of the accounts established under
8 subsection (a) into the following subaccounts:
9 (1) The annuity savings account.
10 (2) The retirement allowance account.
11 (c) Except as provided in subsection (d), member contributions shall
12 be credited to the annuity savings accounts within the pre-1996
13 account.
14 (d) Member contributions made after June 30, 1995, with respect to
15 the following members shall be credited to the annuity savings account
16 within the 1996 account:
17 (1) A member who was **first** hired after June 30, 1995, by a

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school corporation or other institution covered by the fund.

(2) A member who:

(A) before July 1, 1995, served in a position covered by the fund; and

(B) after June 30, 1995, and before July 1, 2001, was hired by another school corporation or institution covered by the fund or rehired by a prior employer.

(3) A member ~~described in subdivision (2)~~ who:

(A) before July 1, 1995, served in a position covered by the fund;

(B) is not described in subdivision (2); and

(C) after June 30, 2001, is hired by another school corporation or institution covered by the fund or rehired by a prior employer.

(e) Member contributions made to the pre-1996 account with respect to a member:

(1) covered by subsection (d)(2) shall be transferred to the annuity savings account within the 1996 account; or

(2) covered by subsection (d)(3) shall remain in the annuity savings account within the pre-1996 account.

(f) Employer contributions made:

(1) after June 30, 1995, with respect to members described in subsection (d)(1) or (d)(2); or

(2) after the date, after June 30, 2001, that the member is hired or rehired as referred to in subsection (d)(3)(C), with respect to members described in subsection (d)(3);

shall be credited to the retirement allowance account within the 1996 account. Employer contributions made after June 30, 1995, with respect to all other members shall be credited to the retirement allowance account within the pre-1996 account.

(g) Employer contributions, if any (as determined by the board), made to the pre-1996 account with respect to a member covered by subsection (d)(2) shall be transferred to the retirement allowance account within the 1996 account. **Liability for employer contributions based on service credit earned by a member described in subsection (d)(2) before the member's hiring or rehiring referred to in subsection (d)(2)(B) shall be transferred to the 1996 account and shall remain with the 1996 account even if, after June 30, 2001, the member is hired by another school corporation or institution covered by the fund or rehired by a prior employer.**

(h) Employer contributions, if any (as determined by the board),

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1 **made to the pre-1996 account with respect to a member covered by**
2 **subsection (d)(3) shall remain in the pre-1996 account. Liability for**
3 **employer contributions based on service credit earned by a**
4 **member described in subsection (d)(3) before the member's hiring**
5 **or rehiring referred to in subsection (d)(3)(C) shall remain in the**
6 **pre-1996 account.**

7 **(i)** The board shall administer these accounts and subaccounts as
8 specified in IC 5-10.2-2.

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